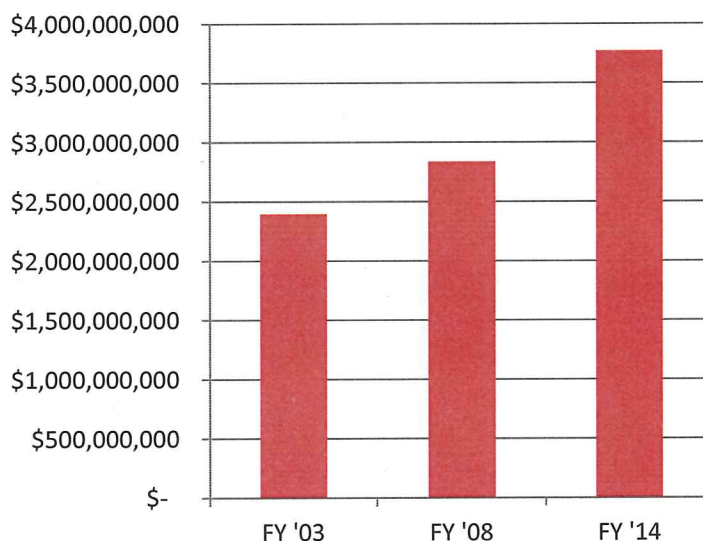


State of Iowa & U.S. Health and Human Services

Medicaid Growth:

Health care reform must increase the quality of care, lower costs and, most importantly, make Iowans healthier. Since 2000, Iowa Medicaid has grown from less than 250,000 covered adults to now covering more than 400,000 Iowa adults (growth of 65%). That coverage expansion pushed costs up to a total expected Medicaid spend in FY 14 of more than \$3.7 billion (growth of 129%). Despite this expansion in coverage, every health trend in Iowa has shown diminished health for our citizens. Iowa seeks flexibility in our Iowa Care program to redesign a program that will best serve the health of Iowans.

Medicaid Expenditures



Key Points & Requests:

Medicaid and Iowa Care

Iowa Medicaid will soon begin implementation ACOs as health care delivery vehicles for members. As part of these relationships, we will provide a set annual fee and potential bonuses based on quality and available funding. Iowa seeks to ensure the use of ACOs and set fees for our waiver and Medicaid populations will not require a managed care waiver. Additionally, we request expedited review of our waiver requests.

Iowa Care and Personal Responsibility

As part of Iowa's 1115 waiver, we would like to include strong incentives for members to focus on prevention and personal responsibility. The waiver program will cover Iowans below 100% FPL, we would like to require monthly contributions, copays and deductibles which could be waived if preventative services are completed. The mechanisms are not intended to create financial savings for the State but rather to encourage healthy and cost conscious behaviors.

The Partnership Exchange

Iowa looks forward to partnering with HHS on health benefit marketplace. In line with maintaining state authority in Medicaid eligibility, we request clarity on critically important information for connecting to the federal hub. Particularly helpful for connection to the hub would be the planning, technical and business documents for the data hub. Additionally, states need to know HHS will meet deadlines associated with the Hub and the marketplaces, should deadlines not be met, HHS and Iowa should work together to craft contingency plans.